

The 1998–99 season for the Bay View High School debate team was historic. The varsity team won an invitational tournament held at Sheboygan South High School for the first time since 1995. The team also successfully defended its 1997 City Championship First Place Trophy on December 11, 1998. After qualifying at the district debates for participating in the WHSFA State Tournament earlier in January, the Bay View team was matched against others from across the state in what many consider the premier debate tournament of the year.

The team has been coached by Mr. Ray Lane since the 1995–96 season. Mr. Daemien Morscher, a 1993 BVHS graduate, National Merit Scholar, and former member of the debate team, is serving as assistant coach. Other members of the team include Daniel Brandt, Kenneth Dunbeck, Steven Finch, Matt Hickling, Leonard Wilson, Robert Woodliff, and Winston Woods. Ben Silver also participated in some tournaments.

Mr. Speaker, it is an honor to salute the talent and commitment of the Bay View High School debate team on its outstanding season, which I bring before you in commendation.

## SOCIAL SECURITY

### HON. BERNARD SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 24, 1999

Mr. SANDERS. Mr. Speaker, I would like to call your attention to an article printed in the March edition of the Labor Party Press.

[From the Labor Party Press, Mar. 1999]

#### DON'T BLOW AWAY SOCIAL SECURITY

##### SOCIAL SECURITY BASICS

Under Social Security, workers contribute a certain amount of their pay into the system through their work life. They then earn entitlement to family benefits when they retire, become disabled, or die.

Social Security is funded through payroll taxes (FICA, or Federal Insurance Contribution Act) on both the employee and employer. Currently each pays 6.2 percent on all wages and salaries up to a maximum of \$68,400 in income. The payroll taxes we pay today finance the benefits for today's retirees. From the money we contribute, the government writes Social Security checks and mails them to beneficiaries.

Any extra money collected through payroll taxes goes into a Social Security Trust Fund. Until the 1990s, the Social Security Trust Fund was relatively small. However, it has ballooned in size in the past decade—and in fact has helped create the much celebrated "balanced budget."

Some 44 million Americans receive benefits from Social Security. Thirty million of these are the elderly and their dependents, 6 million are the disabled and their dependents, and 7 million are the survivors of deceased workers.

About 92 percent of people over 65 receive Social Security benefits. Since 1935, when the labor movement helped force passage of Social Security, the program has dramatically reduced poverty among the elderly and disabled. Unfortunately, though, some people who really need it—like farmworkers—still aren't entitled to Social Security.

#### WHAT'S GOOD ABOUT SOCIAL SECURITY

Social Security has dramatically cut poverty among the elderly and disabled. While about 12 percent of seniors currently live in poverty, without Social Security, 42 percent would be poor. About two-thirds of the elderly rely on Social Security to provide over half their retirement income. Social Security is especially essential since the U.S. does not require employers to provide pensions.

Social Security is progressive. Those who have been paid high salaries throughout their lives will get a much smaller percentage of their salary replaced by Social Security than those who have worked all their lives in low-wage jobs. An average wage-earner retiring in 1997 will get back about 44 percent of his or her earnings from Social Security. A high wage-earner gets back about 25 percent. And a low wage-earner gets about 80 percent.

Social Security benefits just about everyone. About 92 percent of people over 65 get Social Security. It's a program that working-class, middle-class, and poor people can all get behind.

Social Security is efficient. Because it is run entirely by the federal government, puts all the money into one pool and invests it in one place. Social Security only spends about one percent of benefits on administration.

#### WHAT OTHER COUNTRIES DO BETTER

All seven major industrialized countries (Japan, Canada, United Kingdom, U.S., Germany, France, and Italy) have systems that are, like ours, pay-as-you-go. Today's workers support today's retirees.

Italy, Germany, and France spend 12–14 percent of their gross domestic product to support retirees. The U.S. spends 6.9 percent. Japan, Canada, and the UK pay slightly less than us.

In the U.S., the average-earning worker can expect to get 42–44 percent of his or her income replaced on retirement. In Germany, France, and Italy the rate is 50 percent.

In the U.S., Germany, and Japan, retirement age is now 65. It's lower in France, Italy, and Canada. In the U.K., it's 65 for men and 60 for women. (The U.S. retirement age is slated to go up to 67 for people born after 1960.)

All the industrialized countries have programs to cover the healthcare costs of retirees, but American retirees have to pay more out of their pockets than seniors in the other six countries. Today, U.S. seniors pay a third of their medical costs themselves.

#### WHAT WE SHOULD DO ABOUT SOCIAL SECURITY

The Social Security system is quite sound, and with only minor modifications, it should stay that way. We don't have to institute privatization, raise the retirement age, cut benefits, reformulate the cost-of-living index, or increase the payroll tax on workers to "save" Social Security.

One modest and relatively painless change to Social Security would wipe out a big chunk of the shortfall that some are projecting: Eliminate the payroll-tax earning cap. Currently, the Social Security payroll tax is not paid on wages in excess of \$68,400. Since the ranks of the very rich, have been growing, this has resulted in something of a drain on Social Security. In the early 1980s, 90 percent of all wages fell under the threshold. Now it's 87 percent, and it's expected to drop to 85 percent. Why not make it 100 percent?

Says economist Dean Baker: "If you eliminate the cap altogether, it would wipe out about three-quarters of the projected Social

Security shortfall. The amount that will be paid out in Social Security benefits won't be that much more than before, because it's a progressive pay-out structure. Someone who earned a million or two in their lifetime might only get an annual Social Security payment of \$50,000, say."

Another proposal the Labor Party has suggested: raise the payroll tax on employers—but not workers. Workers have seen a net drain on their incomes for the past couple of decades, and this would be one way to begin to tip the balance in the other direction.

## INTRODUCTION OF LEGISLATION TO INCREASE PENALTIES FOR FALSE REPORTING AND INACCURATE ROYALTY PAYMENTS ON FEDERAL OIL AND GAS LEASES

### HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 24, 1999

Mr. GEORGE MILLER of California. Mr. Speaker, American taxpayers are being systematically cheated out of hundreds of millions of dollars by oil companies that do not pay the correct amount of royalties on the oil and gas they produce from public lands.

We can see evidence of this fraudulent behavior in several Congressional investigations, the Department of Justice litigation and a Clinton Administration Interagency Task Force report. Additionally, the Justice Department intervened in 8 of 19 qui tam cases filed by private individuals alleging hundreds of millions of dollars underpaid to the federal government. One company (Mobil) has settled with the federal government for \$45 million. In addition, States (including Alaska, California, Alabama, Louisiana and Texas) have brought similar lawsuits that have been settled for almost \$3 billion. The Interior Department is collecting more than \$275 million on underpayments.

To correct the underlying problem, the Department of the Interior has tried—unsuccessfully—for the past three years to revise its rules to make it more difficult for oil producers to avoid paying accurate royalties. The proposed regulations would clarify long standing legal requirements requiring the industry's responsibility to pay the cost of marketing the public's oil and gas. But some oil producers have been systematically deducting those costs from the amounts they owe taxpayers. Under the new rules, these producers would be required to pay the correct amount—based on real-market sales—to the American people who own the oil and gas.

Instead of supporting this necessary corrective action, however, Congress has enacted legislative riders preventing the implementation of the new rules at a cost of more than \$60 million a year, most of which would go to fund public education. The Senate is poised to extend this travesty on the Emergency Supplemental Appropriations bill, and the House is expected to go along in Conference Committee. Taxpayers should be distressed that Congress would rather side with industry rather than assure fair market value on the public's natural resources.